

NOTICE OF MEETING

FINANCE & AUDIT COMMITTEE

TO: Penny Webster - Mayor
Crs Grev Walker (Chairperson)
Ross Craig
John Kirikiri

The Finance and Audit Committee will meet in the Committee Room, Centreway Road, Orewa on Wednesday, 20 February 2008, commencing at 9.00 a.m.

for: Acting CHIEF EXECUTIVE OFFICER
Geoff Mears

OREWA
13 February 2008

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ITEM NO: 1

APOLOGIES AND ANNOUNCEMENTS

ITEM NO: 2

REQUESTS FOR CONSIDERATION OF URGENT ITEMS

Urgent items not referred to on the main agenda can only be considered if the following requirements of the Local Government Official Information and Meetings Act 1987 are met:

- The Chairperson must explain at a time when the meeting is open to the public (even if the additional item is a confidential item)
 - the reason why the item is not on the agenda
 - the reason why the discussion of the item cannot be delayed until a subsequent meeting.
- The Council or Committee must resolve to consider the item.

Councillors or staff members who wish to raise urgent items for consideration need to brief the Committee Chairperson and the Committee Adviser prior to the meeting.

REPORT



TO Finance and Audit Committee
 ON 20 February 2008
 FROM Kevin Ramsay – Director Finance & Business
 APPROVED BY Kevin Ramsay – Director Finance & Business
 SIGNATURE

SUBJECT **APPOINTMENT PROCESS FOR INDEPENDENT COMMITTEE MEMBER**
 FILE REF AB/25/1; CF/1/1

PURPOSE OF REPORT:

<input type="checkbox"/> Information only	<input type="checkbox"/> Strategic decision	<input type="checkbox"/> Policy decision	<input type="checkbox"/> Statutory process
<input type="checkbox"/> Community issue	<input type="checkbox"/> Contract decision	<input type="checkbox"/> Delegation	<input type="checkbox"/> Appointment
<input checked="" type="checkbox"/> Administrative matter			

IMPLICATIONS:

(i)	Is this matter significant in terms of Council's Policy on Significance?
	No
(ii)	Implications in terms of Vision Rodney?
	Not directly
(iii)	Implications in terms of Long Term Plan/Annual Plan?
	No
(iv)	Implications in terms of other Council Strategic documents or Council Policy?
	No
(v)	Is a budget amendment required?
	No
(vi)	Have the views of affected or interested persons been obtained and is any further public consultation required?
	Not required

FINANCIAL IMPLICATIONS:

Capital cost implications	No
Is it currently budgeted for?	Not applicable
Funding source of capital costs	Not applicable
Ongoing operational cost implications	Not applicable
Is it currently budgeted for?	Not applicable
Funding & rating impact (whether resulting from capital expenditure or arising directly)	Not applicable

SUMMARY:

When the new Finance and Audit Committee was established by the Council it included the requirement for the appointment of an independent committee member. This report is an update on the progress towards this appointment.

RECOMMENDATION:

- (a) That the update on the appointment process for an independent committee member be received.
- (b) That the schedule of criteria contained within the agenda item (subject to any changes) be used to assess the candidates expressing an interest for the position of independent committee member.

1.0 Background

An independent committee member is to be appointed and, as per the resolution from the last Finance and Audit Committee meeting, an advert has been placed in the local paper asking for expressions of interest.

Attached as **Appendix 1** is a copy of the advertisement which appeared in the public notices section of the Rodney Times on Tuesday 12 and Thursday 14 February. A shortened version (copy attached as **Appendix 2**) also appeared in the *Situations Vacant* section on the same days, linking to the full advert, and was placed there to widen the potential coverage.

The advertisements were only placed in the Rodney Times as the Council is looking for a local connection, and there are greater cost implications of placement in the major papers. It was also delayed until after the main December and January holidays were over, to hopefully reach a wider range of readers and therefore potential candidates.

2.0 Issues

2.1 Who will be Involved in the Selection

With a larger committee it is possible that a selection group is picked to make the appointment, but with a smaller committee such as the Finance and Audit Committee it is suggested that all members of the committee be involved.

2.2 How to make the Selection (Possibility of Interviews)

It is suggested that all potential candidates be assessed against pre-selected criteria, with scores being given and then accumulated to identify the preferred candidate.

Interviews are a possibility for a few selected candidates but will add time to the selection process. It is suggested that once a preferred candidate is chosen, they be invited to attend the next committee meeting before the formal selection process is completed.

2.3 The Selection Criteria

It is recommended that each candidate expressing an interest in becoming a committee member be assessed against pre-determined criteria, with scores given for each as follows:

Score	Rating
0	No evidence
1	Minimal evidence
2	Little evidence
3	Some evidence
4	High degree of evidence
5	Extensive evidence

As with most scoring systems the relativity between candidates is more important than absolute scores, and so there is no need to be too concerned about the semantics.

Having said this, some of the criteria require certain scores to be obtained, but this is again based on judgements rather than specific definitions.

The proposed pre-determined criteria and assumed minimum scores are:

Criteria	Comments	Scoring Considerations
Independence	Must be open minded and independent (including public perception of independence)	Crucial requirement so if not present to a high degree then not to be considered (i.e. must score a 4 or 5)
Availability	Must be available for dates given, which are monthly meetings up until December 2008	Absolute requirement so if not present then not to be considered (i.e. must score a 5)
Business Experience	Need evidence of business experience and as a result of that experience, business knowledge, preferably of a generalist nature, rather than a specialist in any one field	Crucial attribute of the candidate and so must be high score (i.e. must score a 4 or 5)
Financial Expertise	An ability to understand balance sheet and profit & loss statements, as well as the other key aspects of financial management	To compliment the Business Experience criteria, must be a reasonably high score (i.e. 3 or above)
Local Government Experience	Preferred, as would facilitate a quicker understanding of the issues being discussed, but is not essential	Preferred criteria only (so any score acceptable)
Communication Skills	Reasonable level of communication skills needed to ensure appropriate sharing of ideas and expression of opinions	Looking for reasonable level (so any score of 2 or above acceptable)
Local Connection	Preferred to be permanent Rodney resident, but could be property owner or another form of connection to the Rodney District (e.g. business, family history)	Looking for some connection (so any score above 0 acceptable)
Compatibility	Working with a relatively small committee there should be compatibility with the other committee members	Looking for reasonable level (so any score of 2 or above acceptable)
Favourable Public Perception	This has some overlap with the independence criteria, but also includes any public feeling about integrity, abilities, knowledge etc	Is relatively important to gain confidence from public that right person has been appointed (i.e. must score 3 or above)

2.4 Other Potential Candidates to be Approached

A list of other people who may be suggested as possible candidates has been prepared and can be discussed. However, to respect the privacy of the individuals on the list, it is proposed that this schedule be part of a confidential agenda item for discussion later in the meeting.

3.0 Options

The advertisement has been placed so focus now needs to be on the selection process for the interested candidates.

The criteria above have been developed as a starting point so other criteria may be added or those proposed changed, should the committee so decide.

4.0 Conclusion

It is recommended that whatever selection criteria are finally decided upon, these should be used to assess the interested candidates at the next committee meeting.

REPORT



TO Finance and Audit Committee
 ON 20 February 2008
 FROM Kevin Ramsay – Director Finance & Business
 APPROVED BY Kevin Ramsay – Director Finance & Business
 SIGNATURE

SUBJECT AREAS AND ISSUES FOR FUTURE DISCUSSION
 FILE REF CF/1/1

PURPOSE OF REPORT:

<input type="checkbox"/> Information only	<input type="checkbox"/> Strategic decision	<input type="checkbox"/> Policy decision	<input type="checkbox"/> Statutory process
<input type="checkbox"/> Community issue	<input type="checkbox"/> Contract decision	<input type="checkbox"/> Delegation	<input type="checkbox"/> Appointment
<input checked="" type="checkbox"/> Administrative matter			

IMPLICATIONS:

(i)	Is this matter significant in terms of Council's Policy on Significance? No
(ii)	Implications in terms of Vision Rodney? Not directly
(iii)	Implications in terms of Long Term Plan/Annual Plan? No
(iv)	Implications in terms of other Council Strategic documents or Council Policy? No
(v)	Is a budget amendment required? No
(vi)	Have the views of affected or interested persons been obtained and is any further public consultation required? Not required

FINANCIAL IMPLICATIONS:

Capital cost implications	No
Is it currently budgeted for?	Not applicable
Funding source of capital costs	Not applicable
Ongoing operational cost implications	No
Is it currently budgeted for?	Not applicable
Funding & rating impact (whether resulting from capital expenditure or arising directly)	Not applicable

SUMMARY:

The Finance and Audit Committee's purpose of monitoring and reporting on the overall financial position and financial performance of the Council is quite wide reaching so may require some focus on areas to be reviewed.

However, in addition it is recognised that issues may arise from time to time that need to be addressed. For example there was a resolution from the Council meeting of 31 January 2008 *That all financial delegations to staff be reviewed by the Finance & Audit Committee and the incoming Chief Executive Officer.*

The options are basically that the Committee can operate:

- on a more reactive basis, looking into issues that have been brought to its attention;
- on a more proactive basis, identifying areas that need to be discussed and from that formulating a programme;
- on a combination of the two above, having a programme of identified areas, as well as responding to other issues that are brought to its attention (the preferred option).

It is suggested that a programme be developed to identify areas to be reviewed, and that an issues register be maintained detailing matters brought to the Committee's attention for review.

RECOMMENDATION:

That a programme be developed of areas to be reviewed by the Finance and Audit Committee, with issues being added as they arise.

REPORT



TO Finance and Audit Committee
ON 20 February 2008
APPROVED BY Kevin Ramsay – Director Finance & Business
SIGNATURE

SUBJECT **PROGRESS REPORT ON IMPLEMENTATION OF COMMITTEE DECISIONS**

FILE REF CF/1/1

PURPOSE OF REPORT:

<input checked="" type="checkbox"/> Information only	<input type="checkbox"/> Strategic decision	<input type="checkbox"/> Policy decision	<input type="checkbox"/> Statutory process
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Capital cost implications	Not applicable
Is it currently budgeted for?	Not applicable
Funding source of capital costs	Not applicable
Ongoing operational cost implications	Not applicable
Is it currently budgeted for?	Not applicable
Funding & rating impact (whether resulting from capital expenditure or arising directly)	Not applicable

SUMMARY:

Attached as **Appendix 1** is a progress report on implementation of Finance and Audit Committee decisions commencing from 5 December 2007.

The decisions reported on are those where some follow up action is required. Items marked as *completed* will be shown on one consecutive report as such, then drop off.

The report is for information only and if further resolutions are required on any of these topics separate reports will be presented to a future meeting.

Note: *Councillors are requested to raise any issues pertaining to this report with the relevant director in advance of the meeting.*

RECOMMENDATION:

That the information be received.

APPENDIX 1

PROGRESS REPORT ON IMPLEMENTATION OF DECISIONS FROM FINANCE AND AUDIT COMMITTEE

Updates in italics

Res.No.	Summary of Decisions	Officer/ Director Responsible	Status/Next Action(s)	Completed
<i>1407/12/07</i>	<i>Expressions of Interest to be invited for an independent member of the Finance and Audit Committee.</i>	<i>Kevin Ramsay</i>	<i>Progress report to be discussed at Committee meeting on 20 February 2008</i>	

SUBJECT PUBLIC EXCLUDED

Recommendation:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

Agenda Item No(s) 7

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Grounds under section 48(1) for the passing of this resolution
Committee Membership	The disclosure of information would not be in the public interest because of the greater need to protect the privacy of natural persons, including that of deceased natural persons (section 7(2)(a) Local Government Official Information and Meetings Act 1987).	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist, under section 6 or section 7 (except section 7(2)(f)(i) of the Act). (section 48(1)(a) Local Government Official Information and Meetings Act 1987.)

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